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Honorable Linda B. Riegler
Office of the U.S. Trustee
300 Las Vegas Blvd. South
Las Vegas, Nevada 89101

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U.S. BANKRUPTCY COURT
PATRICIA GRAY, CLERK

Reference : USA Capital
Court Docket 06-10725, 10726, 10727, 10728 & 10,729

For the past month there has been an information blackout at USA Capital. Mr. Allison, CRO is using controlled PR events and the Review-Journal to create a positive image of himself. Sunday, he declared himself ; "the new sheriff in town".

He is behaving like a drunken sailor on his first liberty.

In documents filed at the Bankruptcy Court, Mr. Allison's very first request was for two whores (Leonard Schwartzer, Esq. and Annette Jaris, Esq.,) to show him a good time.

Next, he needed \$ 50,000 to pay a bonus to key employees. He neither identify the employees or the services they rendered. I would venture that this is a kickback for hiring Mesirow Financial.

On April 19th, he and his whores filed a projected cash flow.

Week 1

Administrative Expenses	\$ 258,000
Miesirow Fees & Expenses	212,000
Legal Council	<u>17,000</u>
	\$ 487,000

USA Capital

Court Docket 06-10725, 10726, 10727, 10728 & 10729

Weeks 2 thru 12 (estimated)

Miesirow Financial	\$ 120,000 per week
Debtors Council	67,000
Investor's Council	50,000
Rent	16,000
Salaries & Benefits	45,000
Other Administrative Expenses	<u>40,000</u>
	\$ 340,000 per week !!!

That is **\$ 68,000 per day !!!** What the heck, it's only the Investor's money.

If these expenses are projected for a full year, that is \$ 17,500,000 per year. This Bankruptcy will drag out 5+ years. We are talking about \$ 100,000,000 to pay off USA Capital's current debts. which I expect are far less than \$ 100,000,000.

It is not to the Investor's best interests to payoff all of USA Capital's debts and expenses, then give the company back to Tom Hangues.

Chapter 7 is the only way to go .

